



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-088]

Certain Steel Racks and Parts Thereof from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that the exporters under review sold certain steel racks and parts thereof (steel racks) from the People's Republic of China (China) in the United States at prices below normal value (NV) during the period of review (POR) March 4, 2019, through August 31, 2020. We invite interested parties to comment on these preliminary results of review.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Jonathan Hill or Elizabeth Bremer, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3518 and (202) 482-4987, respectively.

SUPPLEMENTARY INFORMATION:

Background

This administrative review is being conducted in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). On September 1, 2020, Commerce published in the *Federal Register* a notice of opportunity to request an administrative review of the antidumping duty (AD) order on steel racks from China.¹ After receiving review requests, Commerce initiated this review.² On May 14, 2021, Commerce extended the deadline for the preliminary

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 85 FR 54349 (September 1, 2020).

² See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 68840 (October 30, 2020).

results of this review by a total of 120 days, to September 30, 2021.³ For additional background information, *see* the Preliminary Decision Memorandum⁴

Scope of the *Order*⁵

The merchandise covered by the *Order* is steel racks and parts thereof, assembled, to any extent, or unassembled, including but not limited to, vertical components (*e.g.*, uprights, posts, or columns), horizontal or diagonal components (*e.g.*, arms or beams), braces, frames, locking devices (*e.g.*, end plates and beam connectors), and accessories (including, but not limited to, rails, skid channels, skid rails, drum/coil beds, fork clearance bars, pallet supports, row spacers, and wall ties).

Merchandise covered by the *Order* is classified in the Harmonized Tariff Schedule of the United States (HTSUS) under the following subheadings 7326.90.8688, 9403.20.0081, and 9403.90.8041. Subject merchandise may also enter under subheadings 7308.90.3000, 7308.90.6000, 7308.90.9590, and 9403.20.0090. The HTSUS subheadings are provided for convenience and U.S. customs purposes only. The written description of the scope is dispositive.

A full description of the scope of the *Order* is contained in the Preliminary Decision Memorandum.

Preliminary Determination of No Shipments

On November 20 and 30, 2020, Hebei Minmetals Co., Ltd. (Hebei Minmetals) and Guangdong Wireking Housewares and Hardware Co., Ltd., (Guangdong Wireking) timely filed certifications that they did not export or sell subject merchandise to the United States during the POR and that there were no entries of their subject merchandise into the United States during the POR. Based on an analysis of information from U.S. Customs and Border Protection (CBP), and

³ *See* Memorandum, “Certain Steel Racks and Parts Thereof from the People’s Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review,” dated May 14, 2021.

⁴ *See* “Decision Memorandum for the Preliminary Results in the First Antidumping Duty Administrative Review of Certain Steel Racks and Parts Thereof from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ *See Certain Steel Racks and Parts Thereof from the People’s Republic of China: Amended Final Affirmative Antidumping Duty Determination and Antidumping Duty Order; and Countervailing Duty Order* 84 FR 48584 (September 16, 2019) (*Order*).

Hebei Minmetals and Guangdong Wireking's no shipment certifications, we have preliminarily determined that Hebei Minmetals and Guangdong Wireking did not export or sell subject merchandise to, nor was their subject merchandise entered into, the United States during the POR.⁶

Consistent with Commerce's practice, we are not rescinding this administrative review of Hebei Minmetals and Guangdong Wireking, but intend to complete the review with respect to these companies and issue appropriate instructions to CBP based on the final results of the review.⁷

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act. We calculated export prices for the mandatory respondents Nanjing Dongsheng Shelf Manufacturing Co., Ltd. (Dongsheng) and Nanjing Kingmore Logistics Equipment Manufacturing Co., Ltd (Nanjing Kingmore) in accordance with section 772 of the Act. Because China is a non-market economy (NME) country within the meaning of section 771(18) of the Act, we calculated NV in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum, which is hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. A list of sections in the Preliminary Decision Memorandum is

⁶ See Memorandum, "Certain Steel Racks from The People's Republic of China (A-570-088), No Shipment Inquiry for Hebei Minmetals Co., Ltd. during the period 03/04/2019 through 08/31/2020, dated August 9, 2021; *see also* Memorandum, "Certain Steel Racks from The People's Republic of China (A-570-088), No Shipment Inquiry for Guangdong Wireking Housewares and Hardware Co., Ltd. during the period 03/04/2019 through 08/31/2020," dated August 9, 2021.

⁷ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011); and the "Assessment Rates" section, below.

in Appendix I to this notice.

Separate Rates

In all proceedings involving an NME country, Commerce maintains a rebuttable presumption that all companies are subject to government control and, thus, should be assessed a single weighted-average dumping margin unless the company can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to its exports so that it is entitled to separate rate status.⁸ Commerce has preliminarily determined that information placed on the record by Dongsheng, Nanjing Kingmore, Jiangsu Nova Intelligent Logistics Equipment Co., Ltd., Nanjing Ironstone Storage Equipment Co., Ltd., Suzhou (China) Sunshine Hardware & Equipment Imp. & Exp. Co., Ltd., and Xiamen Luckyroc Industry Co., Ltd., demonstrates that these companies are eligible for separate rate status.

However, Commerce has preliminarily determined that each of the companies whose name is listed in Appendix II to this notice has not demonstrated its eligibility for a separate rate because it did not file a separate rate application or separate rate certification with Commerce. Therefore, we have preliminarily treated the companies listed in Appendix II as part of the China-wide entity.

Because no party requested a review of the China-wide entity, the entity is not under review. Accordingly, the weighted-average dumping margin determined for the China-wide entity (*i.e.*, 144.50 percent) is not subject to change in this review. For additional information, *see* the Preliminary Decision Memorandum.

Dumping Margin for Non-Individually Examined Companies Granted a Separate Rate

The statute and Commerce's regulations do not address what weighted-average dumping margin to apply to companies not selected for individual examination when Commerce limits its

⁸ *See Notice of Final Determination of Sales at Less Than Fair Value, and Affirmative Critical Circumstances, In Part: Certain Lined Paper Products from the People's Republic of China*, 71 FR 53079, 53082 (September 8, 2006); *see also Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303, 29307 (May 22, 2006).

examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act for guidance regarding establishing a weighted-average dumping margin for respondents which were not individually examined in an administrative review.

Section 735(c)(5)(A) of the Act provides that Commerce will base the all-others rate in an investigation on the weighted average of the weighted-average dumping margins calculated for the individually examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available. Where the weighted-average dumping margins for the individually examined companies are all zero, *de minimis*, or based entirely on facts available, section 735(c)(5)(B) of the Act provides that Commerce may use “any reasonable method” to establish the estimated all-others rate.

The preliminary weighted-average dumping margin that we calculated for each of the mandatory respondents Dongsheng and Nanjing Kingmore is not zero, *de minimis*, or based entirely on facts available. Therefore, we assigned a weighted-average dumping margin to the non-individually examined companies to which we granted separate rate status equal to the simple average of the weighted-average dumping margins that we calculated for Dongsheng and Nanjing Kingmore, consistent with the guidance in section 735(c)(5)(B) of the Act.⁹ For additional information, *see* the Preliminary Decision Memorandum.

Preliminary Results of Review

We are assigning the following weighted-average dumping margins to the companies listed below for the period March 4, 2019, through August 31, 2020:

Exporters	Weighted-Average Dumping Margin (Percent)
Nanjing Dongsheng Shelf Manufacturing Co., Ltd.	9.02
Nanjing Kingmore Logistics Equipment Manufacturing Co., Ltd.	98.70

⁹ See Memorandum, “First Administrative Review of the Antidumping Duty Order on Certain Steel Racks and Parts Thereof from China: Preliminary Calculation of the Rate for Separate Rate Respondents,” dated September 30, 2021.

Review-Specific Rate Applicable to the Following Companies:	
Jiangsu Nova Intelligent Logistics Equipment Co., Ltd.	49.85
Nanjing Ironstone Storage Equipment Co., Ltd.	49.85
Suzhou (China) Sunshine Hardware & Equipment Imp. & Exp. Co., Ltd.	49.85
Xiamen Luckyroc Industry Co., Ltd.	49.85

Disclosure

Commerce intends to disclose to parties to the proceeding the calculations performed for these preliminary results of review within five days of the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b).

Public Comment

Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of these preliminary results of review in the *Federal Register*.¹⁰ Rebuttal briefs may be filed with Commerce no later than seven days after case briefs are due and may respond only to arguments raised in the case briefs.¹¹ A table of contents, list of authorities used, and an executive summary of issues should accompany any briefs submitted to Commerce. The summary should be limited to five pages total, including footnotes.¹²

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice in the *Federal Register*. Requests for a hearing should contain: (1) the requesting party's name, address, and telephone number; (2) the number of individuals associated with the requesting party that will attend the hearing and whether any of those individuals is a foreign national; and (3) a list of the issues the party intends to discuss at the hearing. Oral arguments at the hearing will be limited to issues raised in the case and rebuttal

¹⁰ See 19 CFR 351.309(c)(ii).

¹¹ See 19 CFR 351.309(d).

¹² See 19 CFR 351.309(c)(2), (d)(2).

briefs. If a request for a hearing is made, Commerce will announce the date and time of the hearing. Parties should confirm by telephone the date and time of the hearing two days before the scheduled hearing date.

All submissions, with limited exceptions, must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5 p.m. Eastern Time (ET) on the due date.¹³ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information until further notice.¹⁴

Final Results of Review

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results of review in the *Federal Register*, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results of review, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review.¹⁵ Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

¹³ See 19 CFR 351.303 (for general filing requirements); *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011).

¹⁴ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 29615 (May 18, 2020); and *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹⁵ See 19 CFR 351.212(b)(1).

For the individually examined respondents whose rate is not zero or *de minimis*, we will calculate importer-specific assessment rates in accordance with 19 CFR 351.212(b)(1).¹⁶ Where the respondent reported reliable entered values, we intend to calculate importer-specific *ad valorem* assessment rates by dividing the total amount of dumping calculated for all reviewed U.S. sales to the importer by the total entered value of the merchandise sold to the importer/customer.¹⁷ Where the respondent did not report entered values, we will calculate importer-specific assessment rates by dividing the total amount of dumping calculated for all reviewed U.S. sales to the importer by the total quantity of those sales. We also will calculate an estimated *ad valorem* importer-specific assessment rate to determine whether the per-unit assessment rate is *de minimis*; however, we will use the per-unit assessment rate where entered values were not reported.¹⁸

Where an importer-specific *ad valorem* assessment rate is not zero or *de minimis*, we will instruct CBP to collect the appropriate duties at the time of liquidation. Where either the respondent's *ad valorem* weighted-average dumping margin is zero or *de minimis*, or an importer-specific *ad valorem* assessment rate is zero or *de minimis*,¹⁹ we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

For companies not individually examined in this administrative review that qualified for a separate rate and whose rate is not zero or *de minimis*, the assessment rate will be equal to the weighted-average dumping margin determined for the non-examined companies in the final results of this review.²⁰ If the weighted-average dumping margin for the non-examined

¹⁶ We applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

¹⁷ See 19 CFR 351.212(b)(1).

¹⁸ *Id.*

¹⁹ See 19 CFR 351.106(c)(2).

²⁰ See *Drawn Stainless Steel Sinks from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Determination of No Shipments: 2014-2015*, 81 FR 29528 (May 12, 2016), and accompanying Preliminary Decision Memorandum at 10-11, unchanged in *Drawn Stainless Steel Sinks from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; Final Determination of No Shipments: 2014-2015*, 81 FR 54042 (August 15, 2016).

companies is zero or *de minimis*, then the entries associated with these companies will be liquidated without regards to antidumping duties.

For companies that are found to not be eligible for a separate rate and therefore are considered as part of the China-wide entity, the assessment rate will be equal to the weighted-average dumping margin determined for the China-wide entity,²¹ *i.e.*, 144.50 percent.

Pursuant to Commerce's refinement to its practice,²² for sales of merchandise that were not reported in the U.S. sales data submitted by a respondent individually examined during this review, but the merchandise was entered into the United States during the POR, we will instruct CBP to liquidate any entries of such merchandise at the assessment rate for the China-wide entity. Additionally, where Commerce determines that an exporter under review had no shipments of subject merchandise to the United States during the POR, any suspended entries of subject merchandise that entered under that exporter's CBP case number during the POR will be liquidated at the assessment rate for the China-wide entity.

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the review and for future cash deposits of estimated antidumping duties, where applicable.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review in the *Federal Register* for all shipments of steel racks from China entered, or withdrawn from warehouse, for consumption on or after the date of publication of the notice of the final results of this administrative review in the *Federal Register*, as provided for by section 751(a)(2)(C) of the Act: (1) for a company granted a separate rate in the final results of this review, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review for the company (except, if the rate is zero or *de*

²¹ See *Order*.

²² See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011), for a full discussion of this practice.

minimis, then a cash deposit rate of zero will be required); (2) for previously investigated or reviewed exporter of subject merchandise not listed in the table in the “Preliminary Result of Review” section of this notice that continues to be eligible for a separate rate, the cash deposit rate will continue to be the exporter’s existing cash deposit rate; (3) for a Chinese exporter of subject merchandise that does not have separate rate, the cash deposit rate will be the China-wide entity rate, which is 144.50 percent; and (4) for a non-Chinese exporter of subject merchandise that does not have a separate rate, the cash deposit rate will be the rate applicable to China exporter(s) that supplied that non-China exporter.

These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in the Commerce’s presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these preliminary results of review in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213 and 351.221(b)(4).

Dated: September 30, 2021.

Ryan Majerus,
Deputy Assistant Secretary
for Policy and Negotiations.

Appendix I

List of Sections in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Extension of the Preliminary Results
- V. Scope of the Order
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- VII. Selection of Respondents
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Appendix II

Companies Preliminary Determined to not be Eligible for a Separate Rate

1. Ateel Display Industries (Xiamen) Co., Ltd
 2. Changzhou Tianyue Storage Equipment Co., Ltd
 3. CTC Universal (Zhangzhou) Industrial Co., Ltd
 4. David Metal Craft Manufactory Ltd
 5. Fujian Ever Glory Fixtures Co., Ltd
 6. Fujian First Industry and Trade Co., Ltd
 7. Huanghua Hualing Garden Products Co., Ltd
 8. Huanghua Hualing Hardware Products Co., Ltd
 9. Huanghua Xingyu Hardware Products Co., Ltd
 10. Huanghua Xinxing Furniture Co., Ltd
 11. Huangua Haixin Hardware Products Co., Ltd
 12. Huangua Qingxin Hardware Products Co., Ltd
 13. i-Lift Equipment Ltd
 14. Jiangsu Baigeng Logistics Equipments Co., Ltd
 15. Jiangsu Kingmore Storage Equipment Manufacturing Co., Ltd
 16. Johnson (Suzhou) Metal Products Co., Ltd
 17. Master Trust (Xiamen) Import and Export Co., Ltd
 18. Ningbo Beilun Songyi Warehouse Equipment Manufacturing Co., Ltd
 19. Ningbo Xinguang Rack Co., Ltd
 20. Qingdao Rockstone Logistics Appliance Co., Ltd
 21. Redman Corporation
 22. Redman Import & Export Limited
 23. Tianjin Master Logistics Equipment Co., Ltd
 24. Waken Display System Co., Ltd
 25. Xiamen Baihuide Manufacturing Co., Ltd
 26. Xiamen Ever Glory Fixtures Co., Ltd
 27. Xiamen Golden Trust Industry & Trade Co., Ltd
 28. Xiamen Huiyi Beauty Furniture Co., Ltd
 29. Xiamen Kingfull Imp and Exp Co., Ltd. (d.b.a) Xiamen Kingfull Displays Co., Ltd
 30. Xiamen LianHong Industry and Trade Co., Ltd
 31. Xiamen Luckyroc Storage Equipment Manufacture Co., Ltd
 32. Xiamen Meitoushan Metal Products Co., Ltd
 33. Xiamen Power Metal Display Co., Ltd
 34. Xiamen XinHuiYuan Industrial & Trade Co., Ltd
 35. Xiamen Yiree Display Fixtures Co., Ltd
 36. Yuanda Storage Equipment Ltd
 37. Zhangjiagang Better Display Co., Ltd
 38. Zhangzhou Hongcheng Hardware & Plastic Industry Co., Ltd
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